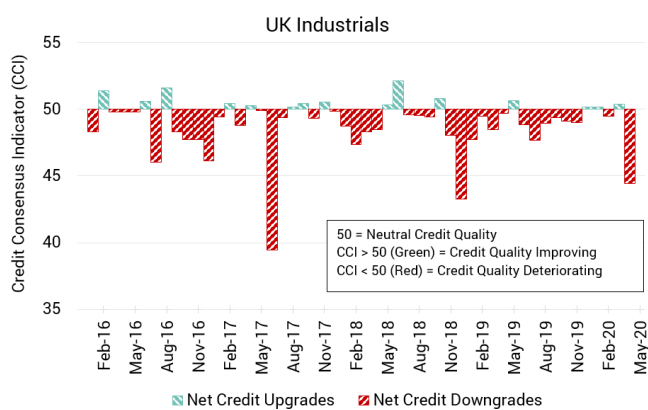


# Credit Consensus Indicator (CCI) UK, EU & US Industrials

June 2020

Credit Benchmark's monthly measure of credit risk sentiment and activity draws on the collective intelligence of over 30,000 analysts at 40+ of the world's leading financial institutions.

This measure, known as the **Credit Benchmark Credit Consensus Indicator (CCI)**, shows changes in forward looking credit opinion for aggregated Industrials across the US, UK, and EU.

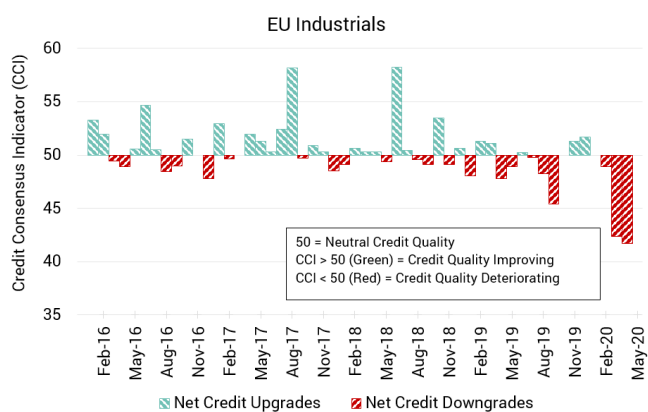


## UK Industrials: CCI Falls Foul of COVID Impact

The moderate trend that saw UK Industrial companies hovering near neutral for several consecutive months has come to an end, with a significant swing towards net deterioration this month.

The CCI for this month is 44.4; a large drop from last month's just-above-neutral CCI of 50.4.

With car manufacturing in Britain [dropping by 99.7%](#) in April (compared to April 2019) and total manufacturing output [dropping by 24.3%](#) month-on-month, Covid has well and truly infected the UK industrial sector.

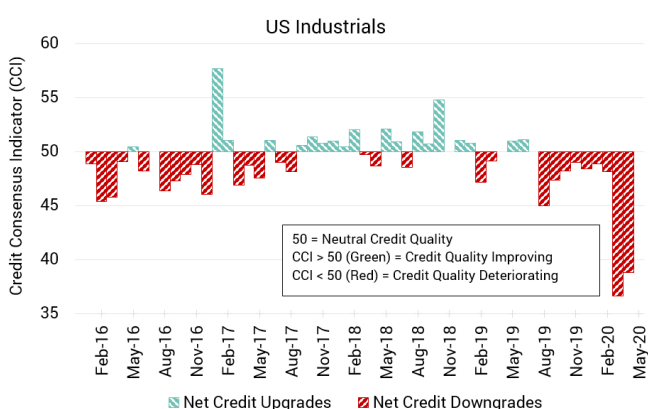


## EU Industrials: Strong Bias Towards Deterioration Exists

EU Industrials have seen further deterioration this month following last months' deep drop into the red.

This month, the CCI for EU Industrial companies is 41.7; in a slightly worse position from last month's CCI of 42.3.

Contractions in demand continues to affect output levels for Eurozone manufacturers but the downwards trend may begin to ease in coming months as Europe emerges from lockdown restrictions.



## US Industrials: CCI Sees Scant Relief From Downgrades

The credit quality of US Industrial companies remains largely unchanged from last month's dramatic downturn.

This month's CCI sits at 38.8, up from 36.7 last month. It has now been 10 months since an instance of net upgrades in the longer-term trend.

[Reports of stabilisation](#) for US manufacturers suggest that while the figures look poor, they are at least moving in the right direction. High levels of unemployment will dampen economic growth for some time though, the effects of which will surely remain felt by the industrial sector.

### About Credit Benchmark Credit Consensus Indicators (CCIs)

CCI data from Credit Benchmark is based on over 800,000 contributed credit observations from 40+ of the world's leading financial institutions. The credit observations, which represent the work of over 30,000 analysts, are collected, anonymized and aggregated monthly by Credit Benchmark. CCIs provide forward-looking insights into credit risk sentiment and activity over time, leveraging overall credit distribution and trends.